ARTICLE APPEARED
ON PAGE

OFFICIALS EXPECT FURTHER ARRESTS IN ESPIONAGE CASI

By PHILIP SHENON

WASHINGTON, May 30 — Several employees of a man accused of spying for the Soviet Union are expected to be arrested on espionage charges in the next few days, law-enforcement officials said today.

The officials, who asked not to be named, said some employees of a Virginia private detective agency would be accused of helping the owner, John A. Walker, and two other members of his family to smuggle secret Navy documents to the Soviet Union.

'A Serious Loss'

At a news conference today, Defense Secretary Caspar W. Weinberger said that the case "represents a serious loss—it has gone on a very long time." He would not be more specific. Some intelligence officials said they might never learn what secrets the Walkers gave the Soviet Union, out of the wide range of highly sensitive material that could have passed through their hands.

In Norfolk, meanwhile, the Government released new details of the purported spy ring, which officials say included Mr. Walker's brother and son. All three men served in the Navy.

Booby Traps and Silver Bars

The details, included in hundreds of pages of affidavits, offered an extraordinary glimpse of what officials have described as one of the most serious spy cases in the Navy's history.

Mentioned are a booby-trapped safe fortified with concrete, silver bars, a cash payoff of \$35,000 in a paper bag, meetings that apparently occurred in Hong Kong and Italy, a long car chase through the Maryland countryside, secret code books, guns and canes that could be turned into weapons.

Mr. Walker's brother, Arthur J. Walker, a retired lieutenant commander who taught antisubmarine warfare techniques for the Navy, was arrested on Wednesday. John Walker and his son, Michael, a yeoman aboard the aircraft carrier Nimitz, were taken into custody last week.

NEW YORK TIMES 31 May 1985

The Federal Bureau of Investigation said that Arthur Walker, who retired from the Navy in 1973, has confessed to his part in the espionage operations. At a court appearance today, he was ordered held without bail.

According to the unidentified law-enforcement officials, about four of Mr. Walker's employees will be arrested, probably next week. They worked at his company, Confidential Reports, a private detective agency in Virginia Beach, Va., founded in 1981. Officials gave no explanation for any delays in the arrests.

It is unclear, the officials said, whether additional members of the Walker family will be arrested.

F.B.I. Cites Greed

The motivation for the conspiracy was greed, according to the F.B.I. "We don't see any other motive showing up," said Bill Baker, an F.B.I. spokesman. "We don't see ideological motives. All we see is cash."

According to F.B.I. affidavits, two informers told investigators that Mr. Walker became a Soviet spy in 1968 while working as a communications watch officer for the commander of the Atlantic submarine fleet.

On trips to Washington in either 1969 or 1971, the affidavit said, one of the informers watched Mr. Walker "putting information which the source believed to be classified into a paper bag filled with trash and leaving the paper bag near a tree at the side of the road."

The informer, whom Government officials have identified as John Walker's former wife, "observed that on one of these trips, Walker received \$35,000 in cash in a paper bag found in a similar fashion," the affidavit said.

"To the extent possible, the information supplied by the confidential sources has been corroborated and found to be truthful and accurate," the affidavit said. It said that the two informants passed lie detector tests.

Ex-Wife Reported Activities

Officials have said that Mr. Walker's former wife, Barbara Joy Crawley Walker, a cashier at a gift store in West Dennis, Mass., reported Mr. Walker's activities to the authorities several months ago, although it is unclear whether she knew that her son Michael was implicated. Each man, if convicted, faces a maximum sentence of life in prison.

Prosecutors in Norfolk also released a long inventory of material found in a search of John Walker's two-story home in Norfolk. The affidavits and the list were ordered unsealed today by a Federal magistrate in Norfolk.

On the inventory were a .357 magnum pistol, a walking cane that contained a gun, a cane that could be used as a dagger and a cane that contained "concealed vials."

Also found in the house, the list said, was a "confidential NATO document dated 9/74," an envelope containing numerous naval documents, a tag from the West German airline Lufthansa and receipts from an Italian motel.

The inventory said 10 100-ounce silver bars, marked "Johnson, Matthey & Mallory" were found in Mr. Walker's safe desceit boy at a pranch of the

safe deposit box at a branch of the Bank of Virginia. The bars would be worth about \$6,000 each at current silver prices.

Description of a Car Chase

Another affidavit described an elaborate effort to trail Mr. Walker's car on the night of his arrest.

He was picked up early on the morning of May 20, a few hours after he left nearly 129 secret Navy documents at a secluded spot in Maryland, the F.B.1. said.

The bureau said that most of the documents, which described Soviet ship movements in the Mediterranean, were from the Nimitz, where Yeoman Walker was a clerk-typist. According to the affidavit, F.B.I. agents, were following Mr. Walker on his way to Rock-ville, Md., where the arrest occurred.

"Waiker was observed making U-turns, driving circuitous routes and stopping at the side of the road, all in a manner calculated to detect if he was being followed," the affidavit said.

"This activity was observed for approximately one hour, at which time surveillance contact with Walker was lost." The car was found sometime later, the document said.

Another affidavit described the contents of the paper bag, filled partly with trash, that was found at the Maryland site. Among the garbage, the affidavit said, were the secret Navy documents and a message addressed "Dear Friend."

According to the F.B.I., the note began, "Storage is becoming a problem." It discussed the need to make arrangements to pick up the best of his "material" and "deliver it in bulk," the affidavit said.